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From: Ed Haynor, 1407 E. 78th St., Newaygo, MI 49337

To: Education House Committee, Rep. Tom McMillin, Chair, 45th District
Committee Members: Thomas B. Hooker (R), Majority Vice-Chair, 77th District; Hugh D. Crawford (R), 38th District; Ray A. Franz (R), 101st District; Kurt Heise (R), 20th District; Holly Hughes (R), 91st District; Aric Nesbitt (R), 80th District; Margaret E. O'Brien (R), 61st District; Amanda Price (R), 89th District; Deb Lynn Shaughnessy (R), 71st District; Ken Yonker (R), 72nd District; Lisa Brown (D), Minority Vice-Chair, 39th District; George T. Darany (D), 15th District; Lisa Howze (D), 2nd District; Rudy Hobbs (D), 35th District; David Rutledge (D), 54th District; Thomas Stallworth III (D), 8th District; Douglas A. Geiss (D), 22nd District

Agenda: SB-618 (Expansion of Charter Schools)

Hello, my name is Ed Haynor and I am here to testify in opposition to SB-618.

My experience with schools that are both innovative and offer choice goes back to the early 1970s. In 2012, I will have 40 years of this type of experience as teacher, administrator and board member.

During its 1993 session, the Michigan legislature enacted two statutes for the organization and operation of public school academies (PSAs), Michigan's name for charter schools. The original purpose for the creation of PSAs was to create competition and innovation to benefit K-12 students. Michigan charter schools as promised since their creation in 1993, overall, have been a failure because they are neither innovative nor challenge student learning through unique approaches. There exists no research as a Michigan experiment that these schools, in nearly 20 years of existence, show by any meaningful statistical measure that they outperform traditional public schools. So knowing that, why would you now expand them by removing all caps, numbers, and limits on the expansion of all types of charters thus creating new kinds of school districts throughout the state when charters have failed to meet their original mission? It seems to me, the

legislature should go back to square one to re-think and re-design charter schools, so students and parents have bona fide choices regarding student learning.

I'm opposed to SB-618 as public policy and below are some of my major concerns:

1. This is not a parent empowerment bill as espoused by supporters. It's a bill to increase additional costs on taxpayers; duplicate school buildings and districts; and give false hope to thousands of students and parents. When Michigan's elected leaders have been for years clamoring for traditional public schools to consolidate or share services, why now do you want to reverse course and create more school districts and buildings. It's completely illogical to encourage or require traditional public schools to merge and at the same time create more charter schools using taxpayer dollars.

In Newaygo County, our six K-12 school districts have accrued the following voted debt regarding school construction:

	Principal Due	Interest Due	Total Amount Due
Newaygo Public Schools	\$18,165,000	\$7,184,538	\$25,349,538
Grant Public Schools	\$10,405,000	\$2,728,929	\$13,133,929
Fremont Public Schools	\$53,892,986	\$51,646,847	\$105,539,833
Hesperia Community Schools	\$21,572,814	\$11,606,460	\$33,179,274
White Cloud Public Schools	\$20,412,718	\$5,399,350	\$25,812,068
	\$124,448,518	\$78,566,124	\$203,014,642

The above debt for many of the above school districts won't be paid off until well into the 2020s. Let's suggest, for the sake of argument that a charter school decides to locate in Newaygo County as a result of SB-618 and is able to draw significant students away from the above school districts. I challenge each of you to explain to Newaygo County taxpayers why they have to pay off the above debt when their buildings and classrooms aren't full and at the same time use more taxpayer dollars to pay to fund private or public organizations that rent or lease back their facilities to be used for public school classrooms. This voted debt scenario is not unique to Newaygo County. If SB-618 became law, this situation would play out throughout Michigan. SB-618 supporters want to underwrite charter infrastructure and at the same time ignore the infrastructure needs of traditional public schools.

2. There are no assured measures of school quality and accountability. There is no language in SB-618 that makes charter schools accountable for their past history and future student learning, graduation rates or any other measures of student success. Supporters of SB-618 want to further enhance the ability of charter schools to avoid various laws, rules, and accountability that traditional public schools have to abide by.
3. SB-618 creates a more uneven playing field among public schools. Traditional public schools use their operating funds (foundation grant) to budget for everything from personnel costs, food service, bussing, special education and extra curricular activities that benefit students. Many existing charter schools in Michigan don't have the comprehensive array of services for students, but get the same foundation grant as traditional public schools. What happens to these excess funds charters are making? Who's being accountable to the taxpayer? One example of the uneven playing field, state government has created, is the current funding of the Michigan Public School Employee Retirement System (MPERS). The MPERS rate is 24.46%, which will increase to 27.37% next year that most existing charter schools don't pay. If SB-618 passes and is signed by the Governor and for example charter enrollments increase by 10-15%, there will be more school employees not paying into MPERS because SB-618 doesn't require future prospective charters to abide by existing collective bargaining agreements. Over time, the MPERS fund will not be able to pay for retirement benefits of public school employees that the Michigan Constitution guarantees.
4. SB-618 allows outsourcing of taxpayers dollars to other states/nations. If Senate Bill 618 becomes law, many companies that run typical for-profit schools will rush to our state and outsource our School Aid Fund to other states and, potentially other countries. Michigan taxpayer dollars are meant to educate Michigan kids in Michigan classrooms. Outsourcing taxpayer dollars from Michigan is a morally wrong choice for our kids.
5. SB-618 creates more loopholes for charter schools such as:
 - a. Potential for establishing unsound educational goals.
 - b. No guarantee that charter school students will be measured by the same pupil assessment methods and tests that traditional public school students have to abide by.
 - c. Weakening the charter school's authorizing body's oversight responsibilities.
 - d. Using non-certified teachers.
 - e. Reducing reasons to cancel charter school contracts for non-performance.

- f. Exempting from taxation real and personal property of charter schools, when these same taxes are used to fund traditional public schools.

I predict if SB-618 becomes law, as written, you are inviting a ballot issue for November 2012 that's purpose will be to outlaw all charter schools in Michigan. I sense so much angst and anger at the grassroots level from the greater school community as well as from parents and retirees regarding fair play. Voters will rebel against having to pay for two distinct public school systems.

Instead, Michigan must focus on building one education system that prepares our students to compete in the global economy. That means strengthening one public education system including charters that truly are created for choice and innovation that excels from pre-school through college. SB-618 is wrong for Michigan. I encourage each of you to vote no on SB-618.

Thank you for the opportunity to submit my testimony.

Ed Haynor, Board Member
Newaygo Public Schools &
Newaygo County RESA